

BEFORE THE
SOUTH CAROLINA
PUBLIC SERVICE COMMISSION

POSTED
0043-02

DOCKET NO. 2002-104-S

In Re:)
)
Application of Moore Sewer)
Inc. For Adjustment of Rates)
and Charges for the Provision)
of Sewer Collection and for)
Approval of Certain)
Contractual Relationships)

APPLICATION

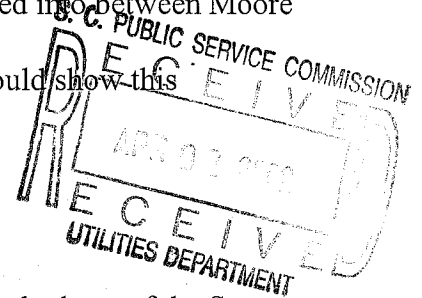
RECEIVED
2002 APR -2 AM 10:23
SC PUBLIC SERVICE
COMMISSION

Moore Sewer, Inc. ("Moore Sewer" or "Applicant") requests that the South Carolina Public Service Commission ("Commission") approve one or more collection-only services charges applicable to its service area. In addition, Moore Sewer requests that the Commission, pursuant to S.C. Code Ann. Reg. 103-541, approve certain contracts entered into between Moore Sewer and certain parties. In support of this application, Moore Sewer would show this Commission the following:

BACKGROUND

1. Moore Sewer is a corporation organized and existing under the laws of the State of South Carolina, and is a "public utility" as that term is defined in S.C. Code Annotated Section 58-5-10(3).

2. Moore Sewer is providing sewer service to the public for compensation in the Madera Subdivision pursuant to rates approved by the Commission in Docket No. 88-45-S, and to the Linville Hills Subdivision pursuant to rates approved by the Commission in Docket 1999-397-S.



3. Correspondence or communications regarding this application should be addressed to:

John F. Beach, Esquire
John J. Pringle, Jr., Esquire
Beach Law Firm, P.A.
P.O. Box 11547
Columbia, SC 29211-1547
(803) 779-0066 (telephone)
(803) 799-8479 (facsimile)
pringle@beachlaw.net

4. The contact person regarding ongoing operations of the Applicant is:

William Teichman
Moore Sewer, Inc.
P.O. Box 2753
Spartanburg, SC 29304
(864) 582-3335 (telephone)
(864) 582-5405 (facsimile)

REQUEST FOR COLLECTION-ONLY CHARGE(S)

5. In order to comply with certain requirements imposed upon Moore Sewer by the South Carolina Department of Health and Environmental Control ("DHEC"), Moore Sewer either has closed out or is in the process of closing out the facilities used for treatment of sewerage for both the Madera Village and Linville Hills subdivisions.

6. The conditions of Moore Sewer's "Section 208" permits for both service areas require Moore Sewer to "tie-on" to a regional facility for the treatment of wastewater.

7. In this case, the Spartanburg Sanitary Sewer District ("SSSD") is or will be providing wastewater treatment for the customers of Moore Sewer.

8. As a result, Moore Sewer's public utility function is or will be limited to collection of wastewater for treatment by the SSSD

9. Accordingly, Moore Sewer requests that the Commission establish a collection-only charge of \$17.50 for the Madera subdivision, and \$28.50 for the Linville Hills subdivision.

10. In support of this application, Moore Sewer provides its most recent financial statements as **Exhibit A**.

11. Alternatively, should the Commission deem appropriate a single collection charge for the entire service area of Moore Sewer, Moore Sewer requests that the Commission establish such a charge.

12. No customers' present rates will be affected by the Commission's approval of the designation of Moore Sewer's currently approved rate as a collection-only service charge.

13. Approval will result in the currently approved residential/commercial rates of \$17.50 and \$28.50 being allocated to collection only.

14. Moore Sewer will also charge for treatment services on a pro rata basis, without markup. The customers' monthly charge will consist of charges for sewerage collection by Moore Sewer and treatment services provided by other entities.

15. This requested action is consistent with prior actions of this Commission.

REQUEST FOR APPROVAL OF TIE-ON AND TREATMENT ARRANGEMENTS

16. Moore Sewer requests that the Commission approve, pursuant to Commission Rule 103-541, Moore Sewer's arrangements with the SSSD and the City of Spartanburg for the treatment of wastewater generated in Moore Sewer's service area.

17. As set forth above, Moore Sewer has been required by the terms of its NPDES permit to enter into these contractual arrangements whereby a regional facility assumes treatment of wastewater generated in Moore Sewer's service area.

18. With respect to Madera, Moore Sewer tied on to the SSSD regional facility as of September 1, 2001. A copy of the terms and condition of the parties' relationship is attached hereto as **Exhibit B**. Moore Sewer requests that the Commission approve this contractual relationship ^{NOW AS THEN.} *nunc pro tunc*.

19. With respect to Linville Hills, Moore Sewer anticipates a tie-on to the facilities of the SSSD in the very near future. A copy of the terms and conditions applicable to the parties' relationship applicable to Linville Hills is attached hereto as **Exhibit C**.

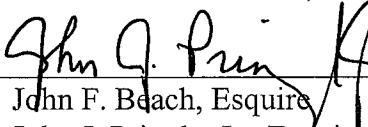
WHEREFORE, having set forth the preceding Application, Moore Sewer asks that the Commission Issue an Order

- a) Approving the collection-only service charges as set forth herein;
- b) Approving the contractual relationships as set forth herein, in accordance with Commission Rule 103-541; and
- b) Granting such other relief as is just and proper.

Respectfully submitted,

BEACH LAW FIRM, P.A.

BY:


John F. Beach, Esquire
John J. Pringle, Jr., Esquire
1321 Lady Street, Suite 310
Post Office Box 11547
Columbia, SC 29211-1547
(803) 779-0066

Attorneys for Moore Sewer, Inc.

April 2, 2002
Columbia, South Carolina

MOORE SEWER, INC
BALANCE SHEET

December 31, 2001

Assets

Assets & Other Debits

Cash	2,941.13
Cash (Madera)	453.65
Customer Accounts Receivable	27,947.60
Accounts Receivable - Bad Checks	946.26
N/R-Dan	250.00

Total Assets & Other Debits

32,538.64

Utility Plant In Service

Land & Land Rights	1.00
Structures & Improvements	78,497.00
Impact Fees	46,086.92
Collection Sewers - Gravity	4,128.60
Flow Measuring Devices	2,732.50
Treatment & Disposal Equipment	4,443.00
Other Plant & Misc Equipment	6,346.00
Office Furniture & Equipment	1,595.00
Tools, Shop & Garage Equipment	2,566.58
Power Operated Equipment	900.82
Acc Depr/Amort of Utility Plant In Svc	(76,231.59)

Total Utility Plant In Service

71,065.83

Total Assets

103,604.47

Liabilities and Capital

Liabilities & Other Credits

N/P-First Citizens(353.51)	2,252.19
Accounts Payable	7,672.13
Loan from Stockholder	46,869.32
N/P-Operation Drains, Inc	8,270.45

Long Term Liabilities

N/P-First Citizens(353.51)	20,793.54
----------------------------	-----------

Total Liabilities & Other Credits

85,857.63

SEE ACCOUNTANTS' COMPILATION REPORT

MOORE SEWER, INC
BALANCE SHEET

December 31, 2001

Equity Capital

Common Stock Issued	2,000.00
Other Paid-In Capital	10,000.00
Retained Earnings	10,059.10
Balance Transferred From Income	(4,312.26)

Total Equity Capital

17,746.84

Total Liabilities and Capital

103,604.47

SEE ACCOUNTANTS' COMPILATION REPORT

MOORE SEWER, INC
INCOME STATEMENT
Current, YTD, and Ratios
12 Period(s) Ending December 31, 2001

	Current	%	Year-to-Date	%
Operating Revenue/Flat Rate-General Cust				
Residential Revenues	7,647.82	100.0	108,619.80	100.0
Total Operating Revenue/Flat	7,647.82	100.0	108,619.80	100.0
Operating Revenue/Measured-General Cust.				
Total Revenue	7,647.82	100.0	108,619.80	100.0
Operating Expenses				
Purchased Power	10,162.16	132.9	10,162.16	9.4
Fuel for Power Production	268.64	3.5	326.88	0.3
Materials & Supplies	1,607.05	21.0	9,795.65	9.0
Office Expense	14.00	0.2	1,722.81	1.6
Postage	21.00	0.3	1,095.22	1.0
Contractual Services-Billing	291.00	3.8	2,593.00	2.4
Contractual Services-Professi	6,556.78	85.7	31,016.86	28.6
Contractual Services-Testing	90.00	1.2	1,066.20	1.0
Contractual Services-Other	2,700.00	35.3	7,039.42	6.5
Rents	22,429.77	293.3	23,590.72	21.7
Transportation Expense	1,247.11	16.3	1,962.77	1.8
Transportation - Taxes	0.00	0	319.15	0.3
Insurance Expense	1,428.33	18.7	4,672.33	4.3
Miscellaneous Expense	17.73	0.2	234.19	0.2
Utilities-Non Electric	(9,227.12)	120.7	177.01	0.2
Telephone	324.30	4.2	2,214.58	2.0
Livestock Expense	5.78	0.1	131.41	0.1
Total Operating Expenses	37,936.53	496.0	98,120.36	90.3
Gross Profit (Loss)	(30,288.71)	396.0	10,499.44	9.7
Other Utility Operating Expenses				
Depreciation Expense	3,841.13	50.2	5,404.01	5.0
Taxes Other Than Income	0.00	0	282.01	0.3
Taxes and Licenses	1,200.00	15.7	1,200.00	1.1
Total Other Utility Operating	5,041.13	65.9	6,886.02	6.3
Operating Revenue (Loss)	(35,329.84)	462.0	3,613.42	3.3

SEE ACCOUNTANTS' COMPILATION REPORT

MOORE SEWER, INC
INCOME STATEMENT
Current, YTD, and Ratios
12 Period(s) Ending December 31, 2001

	Current	%	Year-to-Date	%
Other Revenue & Deductions				
Other Expenses & Deductions				
Misc NonUtility Exp-Penalties	300.00	3.9	4,500.00	4.1
Interest Expense	172.46	2.3	1,166.79	1.1
Interest Exp-S/H Loan	2,258.89	29.5	2,258.89	2.1
	-----		-----	
Total Other Expenses & Deduct	2,731.35	35.7	7,925.68	7.3
	-----		-----	
Net Revenue (Loss)	(38,061.19)	497.7	(4,312.26)	4.0
	=====		=====	

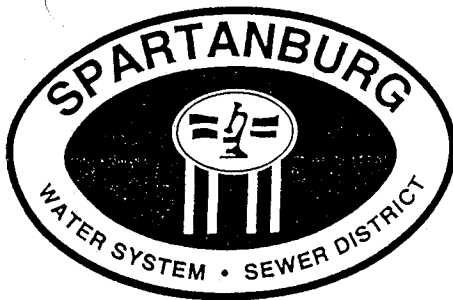
SEE ACCOUNTANTS' COMPILATION REPORT

EXHIBIT B

COMMISSION OF PUBLIC WORKS
THE CITY OF SPARTANBURG, S.C.

W. C. Alexander, IV
Linda P. Bilanchone
Myles W. Whitlock, Jr.

Sham W. Rich, General Manager
E. G. Schneider, Asst. Gen. Manager
Charles E. Jackson, Engineering Director
Newton Pressley, Finance Director
Frederick A. Walker, Tech. Services Director



SPARTANBURG SANITARY SEWER
DISTRICT COMMISSION

W. C. Alexander, IV
Barbara J. Barnes
Linda P. Bilanchone
Louie W. Blanton
A. Manning Lynch, Jr.
James E. Talley
Myles W. Whitlock, Jr.

July 10, 2001

Mr. Bill Teichman
Palmetto Utilities
P.O. Box 2753
Spartanburg, SC 29304-2753

RE: Madera Village Lagoon Closure Agreement

Dear Mr. Teichman,

This correspondence will set out the terms of the Agreement between Palmetto Utilities (the "Owner") and SSSD (the "District"). The District will accept the contents of the Madera Village wastewater treatment facility on the following terms and conditions:

Prior to any discharge of wastewater into the District's collection system, the Owner will provide an analysis of the wastewater which will include the following parameters: BOD; TSS; pH; oil and grease; and the following metals: cyanide, copper, zinc, lead, mercury and silver.

The District will only accept domestic strength wastewater and the discharge shall not exceed the rate of 100 gpm (144,000 gpd).

The District will not accept any sludge from the lagoon.

For the treatment of the wastewater, the Owner will pay the District at a rate of \$2.25 per 100 cubic feet.

The District will provide for the flow monitoring of the wastewater into its collection system in order to determine the amount of wastewater received. Any costs incurred for conducting this monitoring will be paid by the Owner.

The Owner will complete and submit the District's industrial/non-domestic Wastewater survey and hazardous waste notification forms.

The District will not accept any discharge from the wastewater treatment facility until arrangements have been completed for the billing of the existing sewer customers.

This letter agreement is valid only for the closure of the Madera Village wastewater treatment facility and shall bind the successors and assigns of each party.

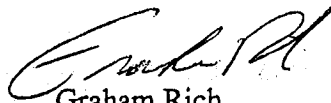
In the event the District hires an attorney to enforce the terms of the agreement, the Owner shall pay the District's attorney's fees and other costs.

Page Two
July 10, 2001

Please indicate your acceptance of the terms of this Agreement by executing the enclosed copy and returning it to us.

Sincerely yours,

SPARTANBURG SANITARY SEWER DISTRICT


Graham Rich
General Manager

Accepted:



Owner

By: William G. Teichman
Its: Owner

2.00 3/22 2.Lane



City Of Spartanburg

P.O. DRAWER 1749 • SOUTH CAROLINA 29304-1749 • (864) 596-2045

ENGINEERING DEPARTMENT

December 4, 2000

Mr. Jack Rogers
Madera Utilities
P. O. Box 1353
Bennettsville, S. C. 29512

Re: Connection to City of Spartanburg Sanitary Sewer System

Dear Mr. Rogers:

We have about finished construction of the sewage pumping station located at the Madera Utilities Lagoon site. After inspection and approval by the South Carolina Department of Health and Environmental Control of the pumping station we will be permitted to place the new system into operation. At that time the system will be available for connection of your sewer collector lines to the City system. If you wish to connect to our system you will be required to pay capacity fees to the City of Spartanburg and to the Spartanburg Sanitary Sewer District based upon the prevailing capacity fee charges. In addition, your customers will have to pay to the City and to the Spartanburg Sanitary Sewer District user charges based upon the water meter readings by each customer.

I have calculated the capacity fees based upon your list of customers provided to me by Mrs. Geraldine Adams which you will find attached. It is my understanding that Westgate Apartments is not now connected to your collection system so I have not included them in your customer list. The capacity fee charges that you will have to pay to connect to our system are determined as follows:

I. City of Spartanburg (see City Capacity Fee Table)

a. Commercial - Quail Point Apartments

15 1 bdrm.	15 x 2 x 100	= 3,000 gpd (gallons per day)
62 2 bdrm.	62 x 3 x 100	= 18,600
20 3 bdrm.	20 x 4 x 100	= 8,000
5 4 bdrm.	5 x 4 x 100	= 2,000
		31,600 gpd ÷ 400 gpd = 79 REU*

*REU - residential equivalent unit - one single family home averages 400 gpd of sewage discharge

capacity fee for 79 REU (See City Table) = \$4,504
where outside the City Limits.

- b. Single Family Residential - 86 each
equal to 1 REU @ \$275 ea.

Capacity fee = $86 \times \$275 = \$23,650$

Total City Capacity Fee = \$28,154

II. Spartanburg Sanitary Sewer District (see SSSD table)

- a. Commercial Quail Point Apartments

79 REU = 2,882.92

- b. 86 Single Family Units

$86 \times \$175 = 15,050.00$

Total SSSD Capacity Fee \$17,932.92

These capacity fees must be paid before you connect to the City System.

Your customers will also be charged sewer user charges as follows:

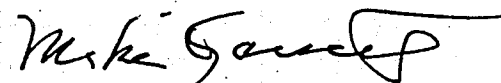
for transportation and treatment (SSSD) -	\$1.320/100 c.f.
for collection (City)	<u>0.930/100 c.f.</u>

Total \$2.250/100 c.f.

These user charges would be billed to your customers by the Spartanburg Water System along with the water bill.

Please contact me and let me know how you wish to proceed. If you have any questions please call.

Very truly yours,



Michael M. Garrett, P.E.
City Engineer

596-2901

cc: Phanes Barno, SSSD

CITY OF SPARTANBURG CAPACITY FEE TABLE

EFFECTIVE OCTOBER 1, 2000

REU	INSIDE	OUTSIDE	REU	INSIDE	OUTSIDE
1	\$165	\$ 275	42	\$1602	\$2712
2	225	378	43	1633	2763
3	286	481	44	1663	2814
4	346	584	45	1693	2865
5	406	687	46	1723	2916
6	447	756	47	1753	2967
7	488	825	48	1784	3019
8	528	893	49	1814	3070
9	569	962	50	1844	3121
10	610	1031	51	1874	3172
11	651	1100	52	1905	3223
12	692	1169	53	1935	3274
13	732	1237	54	1965	3326
14	773	1306	55	1995	3377
15	814	1375	56	2026	3428
16	843	1424	57	2056	3479
17	871	1472	58	2086	3530
18	900	1521	59	2116	3581
19	928	1569	60	2147	3633
20	957	1618	61	2177	3684
21	986	1666	62	2207	3735
22	1014	1715	63	2237	3786
23	1043	1763	64	2267	3837
24	1071	1812	65	2298	3888
25	1100	1868	66	2328	3940
26	1128	1909	67	2358	3991
27	1157	1957	68	2388	4042
28	1186	2006	69	2419	4093
29	1214	2054	70	2449	4144
30	1243	2103	71	2479	4193
31	1271	2151	72	2509	4246
32	1300	2200	73	2540	4298
33	1330	2251	74	2570	4349
34	1360	2302	75	2600	4400
35	1391	2353	76	2618	4426
36	1421	2405	77	2636	4452
37	1451	2456	78	2655	4478
38	1481	2507	79	2673	4504
39	1512	2558	80	2692	4530
40	1542	2609	81	2710	4556
41	1572	2660	82	2729	4582

(continued)

SSSD CAPA0 FEE TABLE
(EFFECTIVE JULY 2, 1992)

REU's	Inside Subdistrict	Outside Subdistrict
1	175	450
2	240.63	618.75
3	306.26	787.50
4	371.89	956.25
5	437.50	1125
6	481.25	1237.50
7	525	1350
8	568.75	1462.50
9	612.50	1575
10	656.25	1687.50
11	700	1800
12	743.75	1912.50
13	787.50	2025
14	831.25	2137.50
15	875	2250
16	905.88	2329.41
17	936.76	2408.82
18	967.64	2488.23
19	998.52	2567.64
20	1029.40	2647.05
21	1060.28	2726.46
22	1091.16	2805.87
23	1122.04	2885.28
24	1152.92	2964.69
25	1183.80	3044.10
26	1214.68	3123.51
27	1245.56	3202.92
28	1276.44	3282.33
29	1307.32	3361.74
30	1338.20	3441.15
31	1369.08	3520.56
32	1400	3600
33	1432.56	3683.72
34	1465.12	3767.44
35	1497.68	3851.62
36	1530.24	3934.88
37	1562.80	4018.60
38	1595.36	4102.32
39	1627.92	4186.04
40	1660.48	4269.76

REU's	Inside Subdistrict	Outside Subdistrict
41	1693.04	4353.48
42	1725.60	4437.20
43	1758.16	4520.92
44	1790.72	4604.64
45	1823.28	4688.36
46	1855.84	4772.08
47	1888.40	4855.80
48	1920.96	4939.52
49	1953.52	5023.24
50	1986.08	5106.96
51	2018.64	5190.68
52	2051.20	5274.40
53	2083.76	5358.12
54	2116.32	5441.84
55	2148.88	5525.56
56	2181.44	5609.28
57	2214	5693.03
58	2246.56	5776.75
59	2279.12	5860.47
60	2311.68	5944.19
61	2344.24	6027.91
62	2376.80	6111.63
63	2409.36	6195.35
64	2441.92	6279.07
65	2474.48	6362.79
66	2507.04	6446.51
67	2539.60	6530.23
68	2572.16	6613.95
69	2604.72	6697.67
70	2637.28	6781.39
71	2669.84	6865.11
72	2702.40	6948.83
73	2734.96	7032.55
74	2767.52	7116.27
75	2800	7200
76	2820.73	7246.71
77	2841.46	7293.42
78	2862.19	7340.13
79	2882.92	7386.84
80	2903.65	7433.55

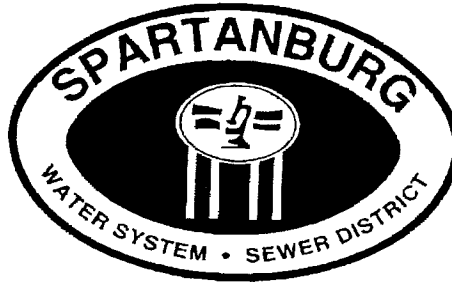
REU's	Inside Subdistrict	Outside Subdistrict
81	2924.38	7480.26
82	2945.11	7526.97
83	2965.84	7573.68
84	2986.57	7620.39
85	3007.30	7667.10
86	3028.03	7713.81
87	3048.76	7760.52
88	3069.49	7807.23
89	3090.22	7853.94
90	3110.95	7900.65
91	3131.68	7947.36
92	3152.41	7994.07
93	3173.14	8040.78
94	3193.87	8087.49
95	3214.60	8134.20
96	3235.33	8180.91
97	3256.06	8227.62
98	3276.79	8274.33
99	3297.52	8321.04
100	3318.25	8367.75
101	3339.98	8414.46
102	3359.71	8461.17
103	3380.44	8507.88
104	3401.17	8554.59
105	3421.90	8601.30
106	3442.63	8648.01
107	3463.36	8694.72
108	3484.09	8741.43
109	3504.82	8788.14
110	3525.55	8834.85
111	3546.28	8881.56
112	3567.01	8928.27
113	3587.74	8975
114	3608.79	9036.49
115	3630.08	9097.98
116	3651.37	9159.47
117	3672.66	9220.96
118	3693.95	9282.45
119	3715.24	9343.94

EXHIBIT C

THE COMMISSION OF PUBLIC WORKS
OF THE CITY OF SPARTANBURG, S.C.

W. C. Alexander, IV
Linda P. Bilanchone
Myies W. Whitlock, Jr.

Graham W. Rich, General Manager
Sue G. Schneider, Asst. Gen. Manager
Charles E. Jackson, Engineering Director
G. Newton Pressley, Finance Director
Jeffrey A. Walker, Tech. Services Director



SPARTANBURG SANITARY SEWER
DISTRICT COMMISSION

W. C. Alexander, IV
Barbara J. Barnes
Linda P. Bilanchone
Louie W. Blanton
A. Manning Lynch, Jr.
James E. Talley
Myies W. Whitlock, Jr.

March 13, 2002

Mr. Bill Teichman
Moore Sewer, Inc.
P. O. Box 2753
Spartanburg, SC 29304-2753

RE: Linville Hills Sewer Line
Service Agreement

Dear Mr. Teichman,

Find enclosed two copies of the service agreement explaining the terms and conditions under which the Spartanburg Sanitary Sewer District will allow for the connection of and provide sewer service to Linville Hills and Country Side Mobile Home Park. Please execute and have witnessed the both copies of the document and return to my attention for presentation to the District Commission. I was contacted yesterday by attorney Jack Pringle who expressed his interest in obtaining a copy of this document for his review and presentation to the Public Service Commission. I informed him we could provide a copy provided you directed us to do so. Please let me know if you wish us to forward him that copy or if you prefer to do it yourself.

If you should have any questions or comments, feel free to call me at (9864)-580-5662.

Sincerely,
Spartanburg Sanitary Sewer District

Janet H. Cann
Janet Hurley Cann, P. E.
Project Manager

JHC:letters/LINVILLEsa.doc

Enclosures

CC: Dwight Patterson
Gene Jackson, P. E.

STATE OF SOUTH CAROLINA)
COUNTY OF SPARTANBURG)

SERVICE AGREEMENT

THIS SERVICE AGREEMENT made and entered into this ____ day of _____, 2002, by and between Moore Sewer Inc., (hereinafter referred to as the "Owner"), and Spartanburg Sanitary Sewer District (hereinafter referred to as the "District"),

WITNESSETH:

WHEREAS, the Owner presently owns and operates the Linville Hills Subdivision Lagoon and collection system, hereinafter referred to as the "Collection System" and

WHEREAS under the terms of a Consent Order with SCDHEC, the Owner must eliminate the aforesaid lagoon, and

WHEREAS, the Owner wishes to connect its Collection System to a sewer line owned and operated by the District for transportation of the wastewater to the District's North Tyger River Wastewater Treatment Plant hereinafter referred to as the "Treatment Plant"; and

WHEREAS, the District is agreeable to accepting the wastewater from the Owner's Collection System upon the following terms and conditions.

NOW, THEREFORE, for and in consideration of the benefits inuring to the parties hereto, the Owner and the District do hereby agree as follows:

1. The Owner shall own and maintain its private Collection System serving the Linville Hills Subdivision, and the District shall have no obligation to maintain or accept ownership of the Collection System.

2. The Owner shall have the right to connect the Collection System to the District's sewer line for disposal of the wastewater. The Owner shall be responsible for the design, permitting, construction and all expenses for the sewer line extension from the District's sewer line to the Owner's Collection System. The sewer line extension shall be designed and constructed in accordance with District standards.
3. The Owner shall limit the flow from the subdivision to a maximum of 36,000 gallons per day of domestic wastewater only.
4. Prior to connection to the sewer line, the Owner shall pay the District's capacity fee in effect at the time of application as based on residential equivalent units (REU) one REU equals 400 gpd.
5. The Owner shall install a District approved flow metering device on the sewer line extension prior to the physical connection to the District's sewer line. The Owner shall be responsible for the upkeep and maintenance of the flow metering device, and the Owner shall allow access to this device by District staff, its agents or designee for billing purposes. Unless required more frequently by the District, the Owner will be responsible for having the flow metering device calibrated at least once annually by an independent instrumentation technician approved by the District. The Owner shall notify the District in advance of the scheduled calibration so as to allow the District the opportunity to observe the calibration should it choose to do so and shall provide written certification to the District of each calibration within fourteen (14) days after the calibration.

6. The District shall accept the wastewater from the Collection System and shall transport it to the Treatment Plant for treatment and ultimate disposal.

7. The Owner shall properly maintain and operate the Collection System to insure that the Treatment Plant is protected from mud, debris, and inflow/infiltration and shall abide by and in accordance with all permit conditions, rules and regulations, and applicable government statutes.

8. The District will bill the Owner each billing cycle for the total volume of wastewater discharged based upon the District's treatment and transportation user charge rate (inside subdistrict rate), which rate is subject to change from time to time. The volume of wastewater discharged to the Treatment Plant will be determined from flow meter readings to be obtained by the District or its agent or designee. If the District's flow measurements establish the presence of inflow/infiltration of water to the District's sewer line or the Treatment Plant, the Owner shall pay a sewer user charge for the inflow/infiltration based upon the applicable sewer user charge rate to the Owner at that time. If the inflow/infiltration is not eliminated within sixty (60) days of a written request to do so from the District, the District may take such corrective measures as it deems necessary to eliminate the inflow/infiltration, and the Owner shall be responsible for the cost of such corrective measures. If the bill for the corrective measures is not paid in full within sixty (60) days from the date of the bill, the Owner shall be subject to disconnection from the system as described in Section 6 of the District's Sanitary Sewer Use Rules and Regulations and such other sanctions as permitted by law.

9. No additional connection of any type will be permitted by the Owner to be made to the District's sewer line, or any extensions thereto, without a written permit issued by the District to make such connection. No extension to the Owner's Collection System will be permitted by the Owner to be made without written notification to the District and a Permit to Construct issued by the South Carolina Department of Health and Environmental Control.

10. The Owner is prohibited from discharging non-domestic wastewater into the sewer line unless application has been made and approval obtained from the District under the provisions of its Industrial Wastewater program and a discharge permit or authorization is obtained from the District. All applicable fees, costs, charges, etc. shall be paid by the discharger, and all the requirements of the discharge permit must be complied with. The flow shall be calculated based on the latest edition of SCDHEC's guidelines for "unit contributory loading to wastewater treatment facilities" and based on the best engineering estimates. The domestic wastewater discharge to the sewer line will be accepted by the District in accordance with all pertinent regulations and available reserve capacity. Failure to comply with all applicable SSSD rules or regulations will be grounds for enforcement action against the Owner, which may include penalties or discontinuance of service.

11. The Owner warrants that it is in a position to and is fully capable of complying with all of the terms and conditions contained herein, and that it is not bound by any agreements or other encumbrances, recorded or unrecorded, which may adversely affect compliance with this Service Agreement.

12. The terms and conditions of this Service Agreement shall be subject to all statutes, rules, policies and regulations governing the operation of the District in all matters under its jurisdiction and control, as now in effect or as shall become effective, and the same are incorporated herein by reference.

13. This Service Agreement shall bind and insure to the benefit of the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, the parties hereunto set their hands and seals the day and year first written above.

Signed, Sealed and Delivered

(1st Witness Signature)

(2nd Witness Signature)

(1st Witness Signature)

(2nd Witness Signature)

MOORE SEWER, INC.

By: _____ (SEAL)
William Teichman

Its: _____

SPARTANBURG SANITARY
SEWER DISTRICT

By: _____ (SEAL)
Graham W. Rich, P. E.
General Manager

By: _____
G. Newton Pressley
Secretary-Treasurer

Spartanburg Sanitary Sewer District

User Charge Rates

Effective 8/1/01

Base Charge - \$1.50 Per Bill

Volume Charge - Per 100 Cubic Feet

Inside Sub Districts \$1.49

Outside Sub Districts \$2.42

Unmetered Well Water Systems

Inside Sub Districts \$13.41 Per Month

Outside Sub Districts \$21.78 Per Month



200 COMMERCE STREET

P.O. BOX 251

SPARTANBURG, SC 29304

PHONE: 582-6375

NOTES:

1. USER CHARGE RATES SHALL BE BASED UPON WATER CONSUMPTION AS RECORDED BY WATER SERVICE AGENCIES
2. ONE CUBIC FOOT EQUALS 7.48 GALLONS.
3. THE SUB-DISTRICTS ARE A PART OF THE DISTRICT AND ARE: CITY OF SPARTANBURG (SUB-DISTRICT A), AND SUB-DISTRICT B (METROPOLITAN SUB-DISTRICT B).
4. CONTACT SUB-DISTRICT A (THE CITY OF SPARTANBURG), AND SUB-DISTRICT B (METROPOLITAN SUB-DISTRICT B) FOR SEWER USER CHARGE RATES LEVIED BY THOSE SUB-DISTRICTS.
5. A RECONNECTION CHARGE OF \$250.00 WILL BE MADE IF SERVICE IS DISCONNECTED BY THE DISTRICT FOR NON-PAYMENT OF CHARGES. A CHARGE OF \$125.00 WILL BE MADE WHENEVER THE USER BIL IS PAID PRIOR TO DISCONNECTION WHILE DISTRICT PERSONNEL ARE AT THE USER LOCATION.
6. THERE SHALL BE A LATE CHARGE OF \$10.00 OR 1 1/2 % PER MONTH OF THE USER CHARGE BILL, WHICHEVER IS THE LARGER OF THE TWO, AGAINST ANY BILL 25 DAYS PAST DUE, WHICH IS BILLED ON A DISTRICT CARD. THERE IS NO LATE CHARGE ON SEWER FOR USERS BILLED BY ANY WATER SUPPLY AGENCY.

Post-It® Fax Note

7671

Date	12.28.02	# of pages	1
To	Bill Teichman		
From	Tadett Cann		
Co./Dept.	Co.		
Phone #	Phone #		
Fax #	582-5405		